

LOS ANGELES COUNTY MUSEUM OF ART | **STRATEGIC PLAN** | OCTOBER 2009



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FOREWORD

In 1997 the Los Angeles County Museum of Art (LACMA) adopted a long-term strategic plan to stabilize the Museum and prepare it for a major expansion and endowment campaign. Since then we have made tremendous strides in advancing the vision presented in that plan. We continue to:

- IMPROVE THE QUALITY AND CARE OF OUR COLLECTION
- ATTRACT AND ENGAGE A BROADER AUDIENCE
- INCREASE OUR COMMITMENT TO EDUCATION PROGRAMS AND OVERALL SCHOLARSHIP
- PROMOTE THE CULTURAL VITALITY OF LOS ANGELES INTERNATIONALLY

In 2004 the Board of Trustees adopted a comprehensive Master Plan that laid out a three-phased approach to expanding and improving the LACMA campus. In 2008 the Museum opened Phase I of that plan, which included a 60,000 sq. ft. contemporary art building, underground parking, central entrance and connecting concourse, a new central plant, and upgraded galleries throughout the eastern portion of the campus. In addition to these capital improvements, the Museum has made significant investments in building its collections with the placement of monumental sculptures by Chris Burden and Richard Serra, and the acquisitions of major collections of the art of the Pacific, Ancient Americas, Photography, and Costumes and Textiles. In 2010 Phase IIa, a 45,000 sq. ft. exhibition pavilion, is set to open and a monumental sculpture by Michael Heizer will be installed on the north side of the campus.

Importantly, while we’ve achieved these many milestones, the Museum has maintained a balanced budget, assuring potential donors to the campaign and national, traditional funders that the Museum is a good steward of its resources. Additionally, LACMA has managed a comprehensive public relations plan that has raised the institution’s prestige and international significance.

This strategic plan carries forward the momentum of those great successes. Many initiatives represent refinements of our existing efforts, increasing their efficiency and alignment, and moving us to new levels of excellence.

In all of these areas, the strategy envisions a flexible approach. We will pursue new initiatives deliberately, particularly those requiring an investment of resources, using analysis and experimentation to ensure we achieve the desired outcomes. We will set goals and timelines that will communicate our intentions clearly to the various Board committees and staff that we work with to further develop these approaches. We will measure our success against performance metrics that align our vision for the institution with various methods and means of attaining our goals.

The strategy resets priorities for the Museum’s staff and volunteers, including the Trustees. In response, it is important to undertake a strategic review of governance and Board participation over the next few years as well as a review of staff structure and organizational hierarchies. Our goal will be to align expectations and efforts as we work together to transform LACMA.









EXECUTIVE SUMMARY

In a series of meetings conducted with Board members and staff from October 2008 through May 2009 it was agreed that all of our efforts are focused on our commitment to:

**ACTIVATE LACMA’S COLLECTION, FACILITIES, AND PROGRAMS IN INNOVATIVE WAYS TO CREATE A CULTURAL TOWN SQUARE IN LOS ANGELES THAT EXPRESSES A TWENTY-FIRST-CENTURY WORLDVIEW OF EXCELLENCE IN ART AND PROVIDES A VARIED, ENJOYABLE, AND EDUCATIONAL EXPERIENCE FOR THE WIDEST POSSIBLE AUDIENCE.**

In late 2008 and early 2009 LACMA Trustee and executive leadership engaged in a series of discussions centered on LACMA’s strategic potential. During those discussions the opinions of LACMA leadership coalesced around building the collections, building the facilities, and becoming the voice of authority in one or more high profile areas of art. There was agreement that focusing on the collection would catapult LACMA’s reputation internationally and that increased visitorship and revenues would follow.

In keeping with that unified view various committees of the Board of Trustees and Executive Management staff will work together to position LACMA as a leader among its peers by developing specific goals, objectives, and tactics in the following areas that have emerged as institutional priorities over the past two years:

1. IMPROVE THE QUALITY AND THE PRESENTATION OF LACMA'S COLLECTION

Collecting preeminent examples of art from across cultures and history is central to LACMA’s mission. Under the leadership of the Acquisitions Committee, LACMA’s Director and curatorial staff have undertaken a thorough analysis of the collection, its standing by area in comparison to our peers, our priorities in building it, opportunities that exist in the short term, and several strategic areas where gift and acquisition goals should be set. In developing tactics to achieve this first goal, LACMA will need to develop networks that will increase gifts of art from inside and outside Southern California. Tactics for creative interpretation and presentation of the collection will also support LACMA’s goal to distinguish itself from peer institutions, which in turn attracts audience.

OBJECTIVE | Collect Masterpieces

Develop a list of artworks owned by private collectors that should be sought out as donations or promised gifts. Work with curatorial staff to manage relationships with those collectors and secure the gifts. Continue to work with individual and foundation donors to purchase rare “one-of-a-kind” artworks that add prestige, depth, or iconic images to LACMA’s permanent collection.

OBJECTIVE | Engage artists in interpreting, installing, and exhibiting collections and exhibitions, and in developing LACMA’s galleries, related programs and facilities

OBJECTIVE | Present an exhibition program that meets a variety of pre-established goals

LACMA’s exhibition program is balanced across multiple years. Programming is committed based on a variety of criteria including intellectual contributions, education, attracting visitors, highlighting the collections, stimulating donations, connecting with communities, and generating revenue. Since no single exhibition can achieve all of these ends, this objective establishes the use of planning processes to ensure that the overall exhibition schedule achieves these varied goals.

OBJECTIVE | Create “Best of ”Collections

Develop a war chest of funding (\$5–\$10 million) that can be used to make opportunistic acquisitions in strategic collecting areas where small investments can yield a higher ranking in quality of collection among our collecting peers. Latin American Art, California Design, Korean Ceramics, and Costumes and Textiles are examples of collections where LACMA could lead the way.

OBJECTIVE | Develop new strategic collecting areas

- ARCHITECTURE
- DESIGN
- EARTHWORKS ACROSS THE WESTERN UNITED STATES
- AFRICAN ART
- ART OF THE PACIFIC
- NEW MEDIA | FILM









2. BUILD LACMA'S AUDIENCE

OBJECTIVE	Expand international recognition of LACMA as quality art institution	OBJECTIVE	Set audience expansion and retention goals and specific plans for achieving those goals over the next five years
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Identify LACMA as a trendsetter of past, current, and future activities, through a variety of means, including marketing and promotional programs, staff and trustee networking, and the establishment of an efficient onsite physical archive to document LACMA's rich history of regional and international exhibitions and programs. In addition, once implemented at LACMA West, LACMA's expanded research facilities, for Costume and Textiles, Photography and Works of Art on Paper, and the Rifkind Center for German Expressionist Studies, will provide an added interface for both the scholarly community and the general public.

OBJECTIVE	Engage, Educate, and Encourage Visitors
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The visitor experience lies at the heart of the Museum's mission to connect people and art. When successful, visitors feel welcome, comfortable, engaged, informed, delighted, and eager to return. However, research indicates that we fall short of this goal because the physical plant is difficult to navigate and lacks architectural prestige. In response, this goal envisions a broad array of improvements, including large-scale outdoor art installations, interactive programs, and gallery installations and programming that increase engagement, accessibility and visual literacy. We will set goals for serving specific audiences (school children, Latino and Asian communities) and endeavor to make visitors feel more comfortable and communicate more effectively with them about what we offer. Through an audience-centered approach, LACMA will deepen visitors' connections with art, draw visitors into more of the Museum, increase attendance, and attract new audiences.

Increasing and broadening the Museum's audiences are central to LACMA's mission and are important to the Museum's financial stability. These goals identify a number of opportunities to retain, increase, and broaden our audiences through strategic use of marketing communication, improved planning and coordination, and use of targeted efforts to better serve specific audience segments (tourism, membership, donor groups).

OBJECTIVE	Provide and promote worldwide access to LACMA's collection, scholarship, and programs
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Electronic communication is a defining aspect of today's museums. By exploiting the revolution in digital technology, we can dramatically increase access to our collection. LACMA is particularly well positioned to pursue electronic opportunities, given its recent success with website improvements, Collections Online, handheld tours for PDAs and cell phones, and online publishing. This objective directs the Museum to use electronic means to better serve select audiences through layered information intended for visitors ranging from novices to scholars; to pursue new forms of publication; and to increase exposure to our collection.



3. ENLARGE AND IMPROVE THE LACMA CAMPUS

OBJECTIVE | Complete the Master Plan

The three-phase Master Plan for LACMA’s Transformation Campaign, approved by the Trustees, will advance our mission and benefit the Museum in a variety of ways including, but not limited to: larger and improved space for displaying art, state-of-the-art conservation and collection storage facilities, improved circulation and amenities for visitors, expanded learning facilities, increased attendance, and increased financial support. This objective calls for the completion of Phase II, as well as the completion of planning for Phase III and the corresponding capital campaign required to support the construction and operation of the expanded facility.

OBJECTIVE | Develop a Strategic Real Estate Plan

This objective analyzes and identifies real estate development opportunities for the Museum in the future and develops a funding plan that provides flexibility in taking advantage of those opportunities. It establishes policies to look at joint venture developments for Spaulding Avenue and Ogden Drive properties and supports and maximizes opportunities associated with the subway extension down Wilshire Boulevard; it sets parameters for making short-term improvements to those properties, and identifies other properties along Wilshire that should be acquired by the Museum.

4. DEVELOP A STABLE AND SUSTAINABLE FINANCIAL AND ORGANIZATIONAL PLAN

OBJECTIVE | Pursue fundraising required by LACMA’s Transformation Campaign and develop plans to increase annual revenues by \$5 million over the next five years

This objective identifies opportunities to improve financial management; establishes policies to reduce the disruptive effects of the Museum’s volatile revenue streams; completes the comprehensive campaign for Phase II that increases annual fundraising, encourages gifts that are unrestricted or provide budget relief; and crafts a plan for fundraising for Phase III of the campaign. At the behest of the Finance Committee, the Museum must craft a plan to increase revenue by \$5 million in five years from a variety of sources, including fundraising and membership, and must raise \$150 million to complete Phase II fundraising.

OBJECTIVE | Reorganize the Museum’s management, support, programmatic, and curatorial functions to better plan and implement strategic objectives

Create training and performance reward programs that encourage all staff to adopt an audience-aware, results-oriented, experimental attitude and realign the organization to support these strategies.

OBJECTIVE | Adopt initiatives that will help LACMA decrease its impact on the environment

The Museum is sensitive to the impact its operation has on the environment today and in the future. We have recently adopted initiatives that will help us use less energy and promote green thinking among our employees and visitors. Our aim is to recycle, reuse, and reduce in all of our activities and to design and operate our facilities with an aim toward reducing our impact on the environment

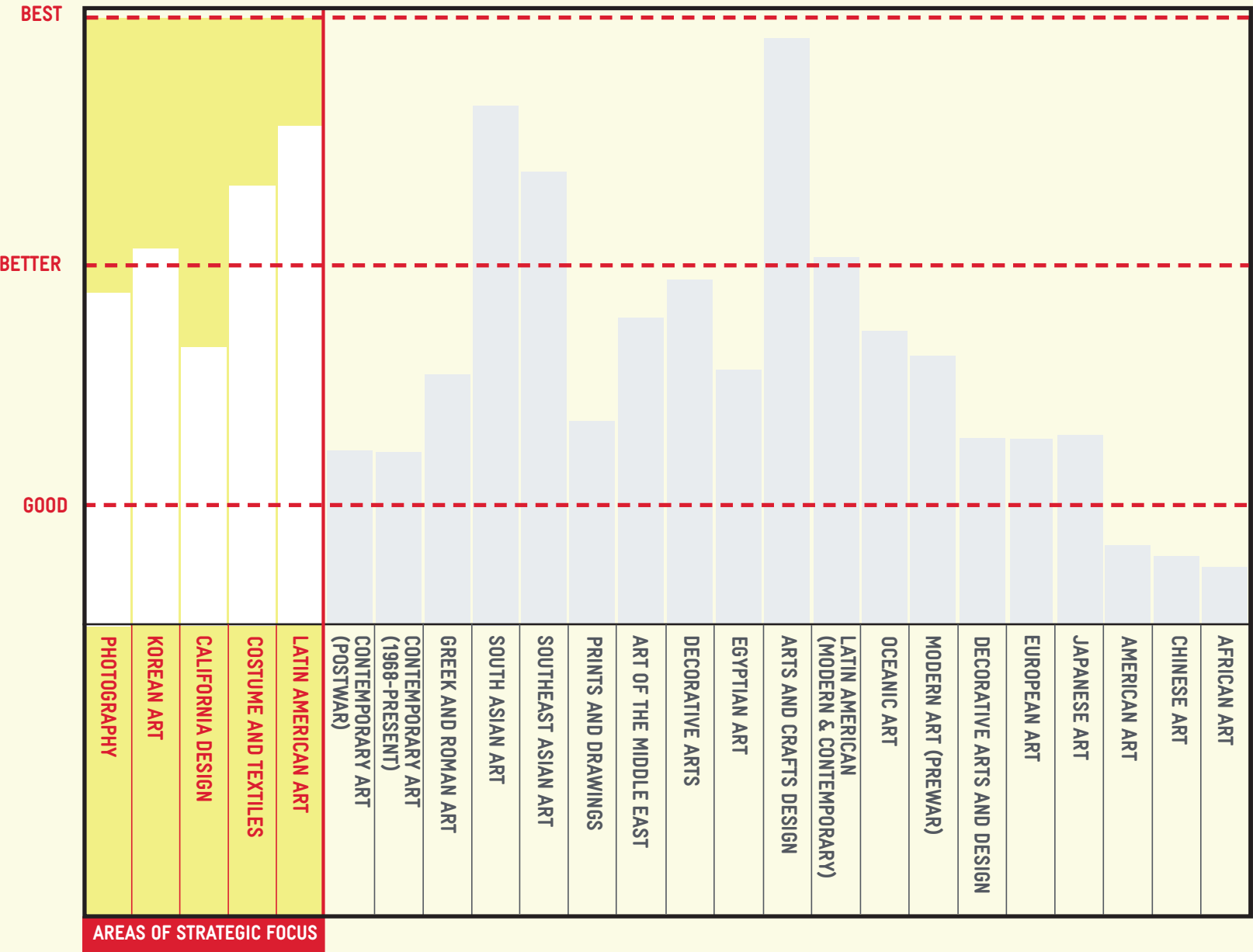




MEASURING SUCCESS

1. COLLECTION GROWTH AND IMPROVEMENT PRIORITIES OVER THE NEXT FIVE YEARS

Rank of LACMA collections compared with other major museums.  
Efforts to build in strategic areas would bring LACMA’s rank to a more competitive level nationally.



2. AUDIENCE FINANCIAL & ORGANIZATIONAL STABILITY GROWTH GOALS

Overall Attendance		Ticket Buyers	
2009	850,000	2009	182,000
2010	925,000	2010	195,000
2011	1,000,000	2011	225,000
2012	1,200,000	2012	300,000
2013	1,400,000	2013	450,000

Tourism Share		Visitors Penetration of 15 mile population	
2009	15%	2009	10%
2010	18%	2010	12%
2011	20%	2011	14%
2012	25%	2012	16%
2013	30%	2013	19%

Admission Revenue		Public Programs Attendance	
2009	\$2,098,000	2009	142,000
2010	\$2,587,000	2010	175,000
2011	\$2,925,000	2011	205,000
2012	\$3,900,000	2012	240,000
2013	\$5,850,000	2013	300,000

Shift in L.A. Visitor Demographic over next 5 years		
	2009	2013
Caucasian	80%	40%
Latino	10%	42%
Asian	7%	10%
African Amer	3%	8%

Memberships		Membership Revenue	
2009	70,000	2009	\$6,850,000
2010	75,000	2010	\$7,200,000
2011	85,000	2011	\$8,075,000
2012	100,000	2012	\$9,500,000
2013	110,000	2013	\$10,450,000

Gifts		County Funding	
2009	\$13,313,000	2009	\$22,517,000
2010	\$ 9,135,000	2010	\$24,541,000
2011	\$10,685,000	2011	\$26,821,000
2012	\$11,000,000	2012	\$27,345,000
2013	\$12,000,000	2013	\$28,029,000

Children & Families		School and Teacher Attendance	
2009	243,000	2009	135,000
2010	275,000	2010	155,000
2011	300,000	2011	185,000
2012	325,000	2012	250,000
2013	350,000	2013	290,000
		Stretch Goal	
		2015+	1,000,000

Operating Budget	
2009	\$57,311,758
2010	\$53,518,862
2011	\$58,500,000
2012	\$59,000,000
2013	\$59,000,000



INTRODUCTION

PURPOSE OF THE STRATEGIC PLAN

This plan was created in order to move LACMA forward with renewed vision over the next seven years by establishing the Museum’s priorities, setting clear goals, and delineating a plan of action for achieving these goals.

Although the plan addresses all major areas of activity for the Museum, it is by no means comprehensive. Activities that will be unaffected by the strategy, but that will continue apace, are not included in the plan.

HOW THIS PLAN WAS CREATED

Development of this strategic plan began in April 2006 with the appointment of Michael Govan as the Museum’s Wallis Annenberg Director and the transformation of Board of Trustee leadership that followed.

In June 2006, Michael and Melody Kanschat, the Museum’s President, laid out a three-phase Master Plan for physical expansion to the Board of Trustees. The plan was endorsed, and development of a more comprehensive Phase II budget and schedule ensued, which was presented and accepted by the Board at subsequent meetings.

In May 2007, Michael presented the Executive Committee of the Board with a strategic planning framework that laid out long-term thinking and specific short-term goals. Those goals were further refined and adopted by the Executive Committee later that month and were once again refined and adopted in March of 2008 (see appendix). The goals were used as the basis for evaluating the performance of both Michael and Melody.

In the spring of 2008, the Museum commissioned Hall and Partners to undertake an audience awareness study (post-BCAM opening) and compare those findings to a benchmark study that was conducted in 2005. In the summer of 2008, McKinsey & Company undertook a management study of the Museum’s operations. The findings of both of these studies, as well as a collection analysis and ranking, were presented to the Board of Trustees in October 2008 (see appendix). In December 2008 and March 2009, Michael and Melody presented the Board and staff with key goals gathered from previous discussions, the principals of LACMA’s Transformation, and five-year growth goals by audience segment (see appendix).

Throughout this process extensive input was provided by the Trustees through Executive Committee, Finance Committee, and Acquisitions Committee meetings and general Board meetings. Executive-level Museum staff has also been integral in the development of this plan. In addition to ongoing operations and planning meetings more than twenty members of the management team participated in meetings conducted with McKinsey representatives.

At the end of this process, the Board of Trustees Chairman called for the formation of an ad-hoc Strategic Planning Committee charged with monitoring LACMA’s progress in reaching its strategic goals, objectives, and initiatives, and to work with staff to implement tactical plans to achieve those goals.

STRUCTURE OF THE PLAN

The strategic plan is organized around four key goals, each of which are supported by a set of initiatives and objectives. Each initiative, in turn, is supported by detailed action plans developed by staff. Each action plan includes steps required to achieve the initiative, timing, and responsibility. Many of these action steps are already underway, some are still in planning, and each is being integrated into staff performance goals.

This document contains an explanation of the strategic goals and initiatives, including a summary of the action steps supporting them. Action step documents will be kept by staff assigned with responsibility for carrying out the plan. At the October Board meeting, Michael and Melody will report on where the Museum stands against the various timelines and initiatives undertaken as a part of this plan.





STRATEGIC PLAN

STRATEGIC GOALS

The four strategic goals are listed below. Goals under Collections and Audience represent the heart of how we fulfill our mission, while those under Facilities and Financial/Organizational provide support critical to achieving our mission objectives.

Goals and Key Objectives



- 1. Continue to improve the quality and presentation of the collection
- 2. Provide and promote web access to the collection and programs
- 3. Schedule an exhibition program that meets a variety of objectives
- 4. Engage, educate, and encourage visitors
- 5. Retain and expand audiences by understanding their needs
- 6. Set specific growth goals in target areas



- 7. Enlarge and improve the physical plant
- 8. Develop a strategic real estate plan
- 9. Pursue fundraising required to complete Phase II and to meet increased revenue metric to ensure fiscal stability
- 10. Adopt an audience-aware, results-oriented, experimental attitude, and realign the organization and talent pool to support these strategies
- 11. Implement various green initiatives to reduce the Museum’s impact on the environment

Each of these goals and key objectives and their supporting initiatives are discussed in detail in the remainder of this document.

GOAL 1: IMPROVE THE QUALITY AND THE PRESENTATION OF THE COLLECTION

Background and Rationale

Collecting preeminent examples of art from across cultures and history is central to LACMA’s mission. The Museum emphasizes quality over quantity in making acquisitions and in setting priorities when adding artworks to the collection that help increase LACMA’s ranking in a particular area. Under the direction of the Acquisitions Committee, key collecting areas have been identified and plans are underway either to raise funds to purchase works in those areas or to acquire works through gifts and strengthened donor relations. The Museum must remain flexible and able to act quickly as opportunities arise to dramatically change the character and quality of the collection.

LACMA must also organize and display its collections and exhibitions from a twenty-first-century point of view that features comparison and contrast. Innovative installation strategies are key to making LACMA’s collection more accessible and are covered in each of the goals laid out in this plan. LACMA is committed to working with artists, architects, and other creative professionals to collaborate and experiment in reaching our varied audiences.

Exhibitions are a powerful tool for bringing art and people together, and are central to our mission to expose our audiences to the finest examples of art across all cultures and from all historic periods. LACMA must present a multi-year exhibition program that demonstrates that breadth and depth through a contemporary and forward-thinking lens.

Strategic Initiatives

- 1.1 | Make LACMA an even more desirable institution for donors to give collections and individual works of art

The Acquisitions Committee and the Development Department will develop detailed plans for cultivating, stewarding, and acknowledging donors of gifts of art and funds for art acquisitions. Specific steps will include training for curatorial staff, celebrating recent acquisitions in more varied and creative ways, and further development of collecting groups within the Museum Councils.



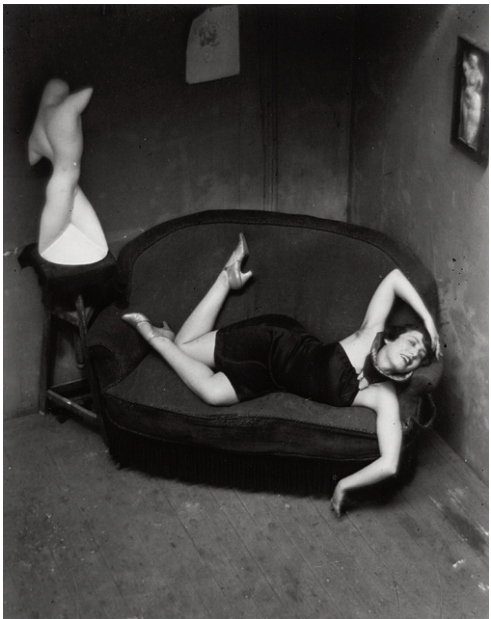


1.2 | Focus acquisitions and collection growth in key areas developed by analysis of market opportunity, lacunae in LACMA’s existing collection, and building on existing strength

Under the direction of the Acquisitions Committee, a comprehensive assessment of the Museum’s acquisition priorities by department was undertaken. The assessment included identifying lacunae in our existing collection, gathering information about trends in collecting internationally, compiling lists of donors and their collections not yet committed to other institutions, and in identifying purchase opportunities and values that are available in today’s art marketplace.

Areas that have been identified to date that meet these criteria include:

- KOREAN ART
- PHOTOGRAPHY
- MIDCENTURY CALIFORNIA DESIGN
- LATIN AMERICAN ART
- AFRICAN ART
- ART OF THE PACIFIC
- COSTUME AND TEXTILES
- ARCHITECTURE
- EARTHWORKS LOCATED THROUGHOUT THE WESTERN UNITED STATES
- MONUMENTAL SCULPTURE



1.3 | Manage human and financial resources strategically to align with institutional and departmental collecting strategies

This initiative will result in a fundamental refocusing of Curatorial Division activities to address and balance six institutional objectives:

- Cultivate collectors
- Emphasize quality over quantity
- Place priority on acquiring art where the market is favorable
- Use strategic deaccessioning to strengthen the collection
- Break down departmental structure and encourage cross-department collaboration
- Support innovative project-driven programs and invite increased curatorial input and direction in public programs, special events, and membership activities

1.4 | Improve the display, care, and scholarship surrounding the collection

The management and care of the collection are central to the Museum’s mission, as is research to better understand the collection and sharing that research with the wider public. In recent years, the Museum has made substantial progress in increasing the effectiveness and efficiency of conservation and collections management. The strategy builds upon this success, identifying further opportunities to streamline efforts, improve storage areas and collection access, and ensure that priorities in conservation and research are aligned with the institution’s broader goals. These efforts will enable steady progress in conservation and research, even with an increase in demand.







**1.5 | Ensure that curatorial and conservation installation priorities reflect the goals of the Museum**

Phases I and II of the Transformation Campaign provide the opportunity for curatorial and conservation staff to work with artists and architects to install collections and exhibitions in fresh ways that encourage new audiences and provide accessibility to all visitors. Use of natural light, experimentation with design and interpretive materials, adjacencies to classroom activities, and minimal changes to gallery designs between exhibitions are among the efforts underway. This initiative will identify and prioritize these efforts.

**1.6 | Establish loan and installation design policies and procedures that utilize resources most effectively**

Loaning artwork involves a significant investment by the Museum, including the time of conservation and curatorial staff. This initiative will ensure that loans provide strategic value to the Museum and are used to further its reputation as a leader among its peers.

The museum should display works of art to achieve aesthetically appropriate presentation, challenge field-wide restrictions regarding light, humidity, and temperature requirements, while addressing security and long-term preservation risks.

In line with our Audience Goal, this initiative will enable the Museum to plan appropriately for new displays resulting from Phases I and II of the Transformation Campaign. It calls for research into new security formats, staff education, and new paradigms for displaying works.

**1.7 | Ensure that the exhibition schedule reflects a list of multi-year objectives**

Proposed exhibitions should be evaluated based on the intellectual contribution being made to the field; education opportunities; the ability to connect with visitors; the incorporation of LACMA's permanent collection; the possibility of stimulating future donations; and ability to generate revenue. Since no one exhibition can achieve all of these ends, this initiative establishes a systematic method for evaluating individual exhibition proposals and the overall exhibition schedule to ensure these objectives are met.

**1.8 | Balance the schedule across each fiscal year to ensure intellectual and educational impact, income, expense, and attendance objectives**

Analysis conducted during the strategy review confirmed that exhibitions with high attendance generate substantial financial contributions, making it fiscally possible to present other types of important exhibitions which may have lower projected attendance. Research and analysis also led to the development of tools to more accurately predict exhibition attendance, revenue, and cost. The Exhibition Strategy team will make use of such tools to help plan an exhibition schedule that has intellectual and educational impact while meeting financial objectives. Ticketing, marketing, sponsorship, and messaging plans will be informed by the decisions made by the Exhibition Strategy team.

**1.9 | Experiment with innovative exhibition concepts throughout the Museum buildings and grounds**

In an effort to stimulate innovation, this initiative defines steps intended to generate an increase in curatorial proposals, as well as nontraditional sources including artists, external colleagues, educators, and potential guest curators.





1.10 | Perform a cost-benefit analysis of touring exhibitions

The exhibition staff will evaluate the cost and benefit of touring exhibitions based on the collection. Potential benefits include increased public access to the collection, institutional visibility, cultivation of collectors, and financial contributions. However, these benefits must be weighed against direct and indirect costs, including staff hours.

1.11 | Formally review and analyze exhibition performance

This initiative calls for the Exhibition Strategy team to determine how well exhibitions meet their objectives. The evaluation process will begin shortly after exhibitions open in order to allow “mid-course” corrections. The findings will be used to improve the selection and effectiveness of future exhibitions



GOAL 2: BUILD AUDIENCE

Background and Rationale

The visitor experience lies at the heart of the Museum’s mission to connect people and art. When successful, visitors feel welcome, comfortable, engaged, informed, delighted, and eager to return. LACMA can enhance visitor appreciation, encourage visitors to explore more of the collection, increase attendance, and engage new audiences. In the crowded “entertainment” landscape of Los Angeles, the Museum competes for visitors’ amongst a diverse array of choices: from the well-financed marketing of films and popular culture, to the outdoor activities available year-round in Southern California, to major theme parks and beaches. Through expanded outreach to diverse audiences, from school-children to the taste-making influencers of the entertainment industry, LACMA seeks to increase visitorship to rival and ultimately surpass that of the Getty, whose iconic architecture and location continue to make it the first choice among museum-going tourists. Additionally, by exploiting the revolution in digital technology, LACMA will dramatically increase access to its collection. The internet, in particular, can enhance the visitor experience by extending visits beyond the Museum walls, attract more visitors to our Museum, support the scholarly community, and reach worldwide audiences.

Strategic Initiatives

2.1 | Install, interpret, and program galleries to create new experiences, deepen engagement, heighten aesthetic appreciation, and increase visual literacy

The Museum will use the experience of other institutions as well as our own visitor research and evaluation to achieve the ends identified in this initiative. A range of potential changes to both docent-led and self-directed learning will be explored, including new training and methodologies rolled out among the volunteer docents, PDA and cell phone tours, electronic signage, paper-based guides, drop-in activities or classes adjacent to gallery spaces, and computer kiosks. Based on well-tested theories about how people learn, experiential and interactive approaches will figure prominently in these efforts.

2.2 | Enhance LACMA’s web presence to expand access to the collection and market our programs to the public

LACMA has plans in place to redesign its website to allow easier user-directed access to information. Dynamic search, easy access to a streamlined program, integrated backend support of shopping cart activities, and access to scholarly research and online courses/curricula are among the goals of the redesigned site. Use of blogs, social media sites, search engine optimization, and email/text/cell phone applications to deliver LACMA’s message is also a priority among departments such as Communications, Development, Education, and Public Programs.





AMERICAN ART GALLERY



MODERN GALLERY



2.3 | Expand our definition of publications to include not only traditional printed books but all forms of electronic publication, in order to maximize access and efficiency

The Museum seeks to become the first encyclopedic museum to adopt online publishing as the norm, thereby reducing printing costs and overhead associated with publishing scholarly research. A traditional printed book program or print-on-demand program will be developed for each special exhibition that is supported with solid trade potential. Continue to access the permanent collection in an expanded online format with highly searchable, citable, and appropriately tiered levels of information for both a scholarly and more general audiences and to establish both an onsite archive and a virtual archive to document LACMA’s rich history of regional and international exhibitions and programs.

2.4 | Encourage the broad use of LACMA images for educational purposes and pursue market-supported licensing opportunities more vigorously

This initiative aims to increase the number of images licensed by the Museum through pooled and commercial database management entities. It encourages developing products and souvenirs that can be supported in the trade, and it sets a goal to change the way institutions deal with each other in granting license to reproduce images.

2.5 | Coordinate public programs and membership events across the Museum so that every event is developed collaboratively and aligned to serve the Museum’s efforts to build audiences, engage diverse audiences with works of art, and create unique and high-quality experiences

The structure and timing of activities will be coordinated to ensure a coherent and diverse schedule that is artist-centered and supported with clear revenue- or audience-building goals. Steps toward this coordination have been taken with the formation of a public programs team that includes curatorial, education, marketing, and membership staff. Invitee lists will be strategically selected to mix audiences and further LACMA’s reputation for high-quality programming. Curatorial staff will be challenged to conceive of programming and collaborate in producing events as part of their performance objectives.

2.6 | Ensure that staff and volunteers make visitors feel welcome and informed

This initiative will build upon existing efforts to improve customer service museum-wide. This involves setting clear standards for service while providing front-line staff and volunteers with training and support. Several mechanisms will ensure continual improvement, including evaluating staff and volunteer service, requiring staff and volunteers to participate in visitor observations, deploying secret shoppers, and evaluating the visitor experience over time.





2.7 | Ensure physical facilities are welcoming and user-friendly

Ongoing visitor surveys and historical data clarify the challenges visitors face in finding their way around the Museum. At best, these navigational challenges cause visitors to restrict their visits to familiar areas. At worst, visitors lose significant time and become frustrated. In response, this initiative aims to improve entrances, information centers, way-finding, and Museum amenities in an effort to ensure visitors feel comfortable and oriented.

2.8 | Extend visitor engagement beyond the Museum walls

While placing the highest priority on visitor experiences inside the Museum, the strategic plan also calls for investigating opportunities to enhance pre- and post-visit experiences, particularly through use of the web.



FRIDAY NIGHT JAZZ



LATIN JAZZ SATURDAYS

2.9 | Offer public programming that creates new experiences, deepens engagement, increases understanding, and is aligned with audience-development strategies

Programs such as films, concerts, lectures, art classes, Friday Night Jazz, Latin Jazz Saturdays, and Family Day programs play critical roles in deepening the connection core audiences have with the Museum, bringing in new audiences, and fulfilling our commitment to our community. The strategy calls for continued efforts in these areas, but with a clearer sense of how these programs support institutional priorities. It also calls for the development of a business plan to expand programs and set specific audience target goals in each area.

2.10 | Invest in audience research to understand and improve our audience-development efforts

Research into our current and potential audiences has increased over recent years. While this research has been critical in sharpening our efforts, ongoing research is required to further build upon and broaden our audiences and improve their experience.



**2.11 | Retain and build our core audiences, increase penetration in Los Angeles region, develop and grow tourist visitation**

LACMA must continue to add opportunities to increase visitation, while improving the experience of current core audiences, particularly with regard to members and local repeat visitors, as these groups account for 85% of LACMA’s attendance. Understanding these groups is also critical to ensure that efforts made to engage new audiences do not detract from the experience of our loyal core.

Substantial member research is already underway, resulting in a variety of steps designed to increase member attendance and retention, such as expanding e-mail connectivity. Other steps include research into converting visitors to members, targeted marketing directed at Los Angeles tourists, and testing of low-cost street marketing techniques across the Southland.

**2.12 | Pursue targeted strategies for underserved audiences**

LACMA currently offers a variety of programming that attracts nontraditional Museum visitors. These offerings include festival-like events, special programs and lectures, film festivals, and exhibitions. This initiative calls on the Museum to continue attracting wide audiences while at the same time building deeper relationships with Latino, Korean, and African American audiences.

**2.13 | Coordinate strategies for audience development across the whole organization**

Audience development involves a wide range of activities that combine to attract and serve our public audiences. These activities include marketing communication, corporate sponsorship, public relations, pricing, market research, and the design and delivery of our offerings. Because many different departments play a role in audience development, this initiative calls for the use of periodic audience development plans to set priorities and align efforts. These plans will address all offerings, including permanent gallery installations, exhibitions, and programs. Plans will specify how each offering will be marketed and priced, what audiences will be targeted, what investments will be required, and what results are expected. Audience-development plans will include steps to advance the diversity initiative.

**2.14 | Engage in strategic advertising and communications**

Research and analysis have revealed opportunities to increase awareness of the Museum’s offerings. This initiative establishes strategic guidelines for marketing communications that will broaden our reach while improving our cost effectiveness. As examples, these guidelines call for high levels of advertising for exhibitions with broad appeal, while recommending effective but relatively low-cost communication vehicles (such as e-mail) to promote offerings that appeal to narrower audiences. This initiative also calls for the development of a brand positioning to generate public interest and excitement around the improved visitor experience and the Master Site Plan.





2.15 | Use every visit to market the Museum, its collections, programs, exhibitions, membership, and other amenities (retail shop, restaurants)

LACMA must take greater advantage of visitor presence to communicate its variety of offerings. This will entail more effective use of printed materials, technology, staff, and volunteers to ensure that visitors are fully informed and engaged. This will not only improve their experience but also increase awareness of the Museum’s dynamic offerings, while encouraging repeat visitation.

2.16 | Embrace the Transformation Campaign as an opportunity to build excitement and increase awareness of the Museum as a world-class institution

The Transformation Campaign represents an extraordinary opportunity to capture public attention. This initiative also calls on the Museum to plan for the period after the opening of Phase II to ensure the excitement and momentum of the opening continues.

2.17 | Stimulate attendance through improved website and e-mail usability

The Museum will undertake efforts to improve access to our website and significantly expand the use of social media and e-mail as a vehicle to distribute targeted information to interested audiences. Efforts to continue to position LACMA positively through search engines by meta-tagging and improving collection database access will continue.

2.18 | Create a central database of visitor and member information

Currently LACMA has information about its visitors and members contained in a variety of databases. This initiative calls for developing and implementing a plan for managing and using this information most effectively, improving and streamlining the backend management of data, and assigning specific responsibility for managing the database, developing a database marketing program, and tracking visitor and member behavior.







**GOAL 3: ENLARGE AND IMPROVE THE PHYSICAL PLANT**

**Background and Rationale**

The Master Site Plan will advance our mission and benefit the Museum in a variety of ways, including:

- Increased gallery space with logically organized collections spread across the LACMA campus
- Improved and expanded collection storage facilities
- Clear circulation for visitors
- Expanded learning facilities
- Monumental sculpture | iconic art features that brand LACMA
- Enhanced green space
- Increased attendance
- Increased financial support and gifts of art

**Strategic Initiatives**

**3.1 | Complete Phase II of the Transformation Campaign**

Plans are in place to complete construction of Phase II by 2011 and begin programming all facilities on the east and west side of the campus.

**3.2 | Complete planning for Phase III of the Transformation Campaign**

The Museum will prepare for subsequent phases of the Master Site Plan over the next few years. This will entail finalizing design work and approvals for replacing facilities on the east side of the campus, integrating a subway stop into the LACMA West program, completing financial projections and planning, and developing a timeline and campaign plan.

**3.3 | Develop a Strategic Real Estate Plan**

The Museum will evaluate properties in the immediate area along Wilshire Boulevard and Sixth Street that could be assembled, acquired and held for future LACMA development. Additionally, the MTA’s needs for Subway to the Sea construction and lay-down areas will be assessed and properties may be assembled to take advantage of that need. The Museum will also establish a plan with benchmarks for the development of Spaulding Avenue and 6006 Wilshire that contemplates co-developer relationships, mixed-use opportunities, like uses, and museum mergers, and sets benchmark pricing and policies that could lead future Trustees in managing LACMA’s real estate holdings.





#### **GOAL 4: DEVELOP A STABLE AND SUSTAINABLE FINANCIAL AND ORGANIZATIONAL PLAN**

##### **Background and Rationale**

Ongoing fundraising will be critical to sustain and improve the Museum's programs and facilities, including those envisioned by the Transformation Campaign. Managing the heavy debt load associated with Phase I and Phase II requires that fundraising be completed on a strict timeline to ensure debt covenants are met and that sufficient earnings from investments exist to pay annual debt service.

LACMA receives more than 33% of its annual operating budget from the County of Los Angeles. While recent efforts to increase the contract amount with the county have been successful, it is clear LACMA must develop stronger audience-driven revenue streams, increase the size of its endowment, and develop more multi-year sponsorship opportunities. It is important that the Museum maintain its high standards and solid reputation for fiscal responsibility.

The Museum's volatile revenue streams serve to complicate its financial management. Short-term volatility is driven primarily by the dramatic impact of exhibitions on attendance-related revenue. Revenues are also affected by long-term economic cycles. While some smoothing of revenues may be achieved through careful exhibition planning and by ensuring that the Museum is less exhibition-dependent over time, the Museum's revenue will continue to fluctuate.

In 2009 goals were set by the LACMA Finance Committee to establish a five-year plan that ensures a \$5 million cushion between expenses and revenues. A multi-disciplined staff team will be working on the plan to develop yearly goals and look at program reductions and revenue enhancements.

This goal also calls for several organizational changes, first to the organization's structure, staffing, and processes. Goals must be aligned across the institution, down to the individual level. Culturally, the organization must become less cautious and more innovative. Early retirement, staff-wide reorganization, growth, and downsizing in some areas will take shape through targeted planning across the next several years.



Strategic Initiatives

4.1 | Successfully complete the comprehensive campaign for Phase II

Efforts are underway to complete the “quiet phase” of the Transformation Campaign during 2010 and the public phase by 2011. In addition, plans are in place to build and strengthen annual fundraising by enhancing individual and institutional connections to the Museum.

4.2 | Develop plans to sustain and increase annual fundraising programs and encourage gifts that are either unrestricted or provide budget relief with future financial flexibility

The Museum will continue to analyze costs and benefits of its volunteer and development programs and continue to shift resources toward major gifts programs. (Annual fundraising includes the Director’s and President’s Circles, corporate sponsorships, and general membership.)

4.3 | Cultivate a culture of philanthropy among Board of Trustees

The Museum will develop programs to encourage executive cohesion among the Board of Trustees and Executive Staff to facilitate and support Trustee fundraising efforts in the community. Efficient briefing materials and support will be provided to Trustees to build confidence in completing Transformation Phase II and annual fundraising.

4.4 | Plan for future fundraising beyond the campaign for Phase II

The Museum will determine capital and endowment needs beyond Phase II, undertake a feasibility study to assess donor capacity and Board support, and develop a campaign plan for subsequent phases of construction and associated endowment requirements.

4.5 | Establish policies that address our volatile revenue stream

This initiative recommends the study of a series of policies that would reduce the disruptive effects of short-term revenue fluctuations. This initiative also recommends measures for managing expenses in anticipation of revenue fluctuations.

4.6 | Continue efforts to analyze financial contributions by activity area, and use this information to inform annual planning

Understanding which activities generate a net financial contribution, and which require a subsidy, will allow the Museum to make informed decisions about how best to fulfill its mission while maintaining financial stability.





**4.7 | Explore partnerships with outside restaurant, hotel, and residence developers and retail organizations that contribute to the visitor experience, build upon LACMA’s brand, and maximize the ongoing financial contribution of the enterprises to LACMA’s operating budget**

Business partners will be sought and business plans will be developed for the Museum shops and restaurants to maximize their direct financial contribution while also considering their impact on the visitor experience and attendance.

**4.8 | Adopt green initiatives**

The Museum is sensitive to the impact its operation has on the environment today and in the future. We have recently adopted initiatives that will help us use less energy and promote green thinking among our employees and visitors. Our aim is to recycle, reuse, and reduce in all of our activities

**4.9 | Determine organizational changes required to address the Strategic Plan and Master Site Plan**

These changes may relate to structure, assignment of responsibilities, cross-functional teams, processes, and/or training. It is also important that management determine a level and variety of staffing that is sensitive to priorities and changing conditions.

**4.10 | Institute planning and evaluation procedures that link institutional goals to those of divisions, departments, and individuals**

This critical initiative will be realized through an annual planning process that begins with institutional goal-setting affecting divisions, departments, staff, and volunteers. Progress will be measured through employee evaluations and a performance matrix that will reflect employees’ participation in and leadership of cross-departmental projects. Providing clear objectives and support for staff efforts are fundamental to encourage energy and creativity.

**4.11 | Align volunteer activity with the Museum’s mission and strategic objectives**

Volunteer programs provide tremendous value to LACMA and offer a variety of rewarding experiences. This initiative calls for a comprehensive audit of volunteer programs and the strengthening of the representative Docent, Museum Service, and Art Museum Councils to make certain that these programs continue to meet the Museum’s evolving needs.



**4.12 | Encourage and reward employee innovation**

This initiative supports a cultural shift toward greater innovation and experimentation in pursuit of our strategic goals. It calls for communicating these expectations to managers and their staff, and adding criteria for participation in cross-disciplinary or intra-departmental initiatives, building each into the annual review process while rewarding examples of successful innovation and disseminating these examples throughout the organization.

**4.13 | Keep staff and volunteers informed**

Improving communication among staff and volunteers increases their effectiveness. This initiative identifies steps to meet this challenge, including redesigned all-staff meetings, informal forums, use of the web and e-mail, and holding department heads and managers more accountable for sharing information with staff.





**MISSION STATEMENT** ADOPTED BY  
THE BOARD OF TRUSTEES 1997  
TO SERVE THE PUBLIC THROUGH THE  
COLLECTION, CONSERVATION, EXHIBI-  
TION, AND INTERPRETATION OF SIG-  
NIFICANT WORKS OF ART FROM A  
BROAD RANGE OF CULTURES AND  
HISTORICAL PERIODS, AND THROUGH  
THE TRANSLATION OF THESE  
COLLECTIONS INTO MEANINGFUL  
EDUCATIONAL, AESTHETIC, INTELLEC-  
TUAL, AND CULTURAL EXPERIENCES  
FOR THE WIDEST ARRAY OF AUDIENCES.

**STATEMENT OF PURPOSE** ADOPTED BY  
BOARD OF TRUSTEE 2009 THE BOARD  
OF TRUSTEES OF THE LOS ANGELES  
COUNTY MUSEUM OF ART IS COMMIT-  
TED TO ACTIVATING LACMA'S COLLEC-  
TION, FACILITIES, AND PROGRAMS IN  
INNOVATIVE WAYS THAT WILL SET THE  
INSTITUTION APART FROM ITS PEERS.  
WE STRIVE TO CREATE A CULTURAL  
TOWN SQUARE IN LOS ANGELES THAT  
EXPRESSES A TWENTY-FIRST-CEN-  
TURY WORLDVIEW OF CULTURAL AND  
ARTISTIC ACHIEVEMENT AND PRO-  
VIDES A VARIED, ENJOYABLE, AND  
EDUCATIONAL ART EXPERIENCE FOR  
THE WIDEST POSSIBLE AUDIENCE.



## APPENDIX

### Appendix 1

### AWARENESS AND VISITATION STUDY | *Hall and Partners Study*

Conducted Summer 2008, compares findings to similar study conducted Fall 2005

## SUMMARY OF FINDINGS

OVERALL AWARENESS OF LACMA IS STABLE ACROSS LA COUNTY, WITH THREE IN FOUR RECOGNIZING THE DESTINATION BY NAME.

Within this, LACMA has become more top-of-mind, with significantly more LA residents able to recall it when asked to name which museums come to mind.

THUS FAR, BCAM'S IMPACT ON OVERALL LACMA AWARENESS HAS BEEN LIMITED, AS ONLY 11% OF LA COUNTY RESIDENTS HAVE HEARD OF IT.

The majority of those who've heard of BCAM also know of LACMA, suggesting BCAM has primarily reached LACMA's pre-existing audience.

However, not all BCAM-aware residents regularly visit LACMA, indicating that news of BCAM has extended outside the scope of those who may have simply noticed it while visiting LACMA.

Those aware of BCAM tend to skew younger and lower income, potentially a result of the appeal of contemporary exhibits to this demographic.

LACMA VISITATION HAS SOFTENED SINCE 2005, THIS CHANGE DRIVEN BY LESS FREQUENT VISITATION AMONG NON-CAUCASIANS.

Yearly visitation among Hispanics is stable, potentially as relevant cultural exhibits have sustained their interest over the past year (e.g. Dali, the Arts in Latin America).

Lack of popular exhibition (Tut, Van Gogh, Impressionism) cited as possible reason for decline.

DESPITE A DECLINE IN VISITATION SINCE 2005, LACMA CITED AS MOST ATTENDED OVER PEER INSTITUTIONS (GETTY, MOCA, HAMMER, NORTON SIMON, HUNTINGTON).

HOWEVER, THE GETTY'S PROGRESSION OVER THE PAST FEW YEARS MAKES IT A MORE FORMIDABLE COMPETITOR.

The Getty experienced significant growth in Awareness, and is now at parity with LACMA. It appears to have an added advantage in that it is top-of-mind not only as a museum, but also as a cultural and educational center.

The Getty's growth in visitations stems mostly from Infrequent and Non LACMA Visitors, suggesting it may have stronger appeal among the atypical museum-goer.

LA RESIDENTS LACK CLARITY ON LACMA'S LOCATION. OF THOSE WHO HAVE HEARD OF IT, ONLY A THIRD CAN CORRECTLY ARTICULATE WHERE IT IS.



IMPLICATIONS

GREATER OPPORTUNITY EXISTS TO UTILIZE CONTEMPORARY ART PROGRAMS TO DRIVE LACMA AWARENESS, PARTICULARLY BY TOUTING EXHIBITS THAT MAY HAVE SPECIFIC APPEAL TO UNIQUE DEMOGRAPHIC GROUPS.

GIVEN STABILITY IN AWARENESS HAS NOT TRANSLATED INTO GREATER VISITATION, LACMA MUST FIND WAYS TO GENERATE GREATER INTEREST AMONG CURRENT AND POTENTIAL VISITORS.

For some infrequent visitors, distance may be somewhat of a greater barrier to visitation, suggesting that LACMA’s proposition must be that much stronger to coerce these visitors to make the trip.



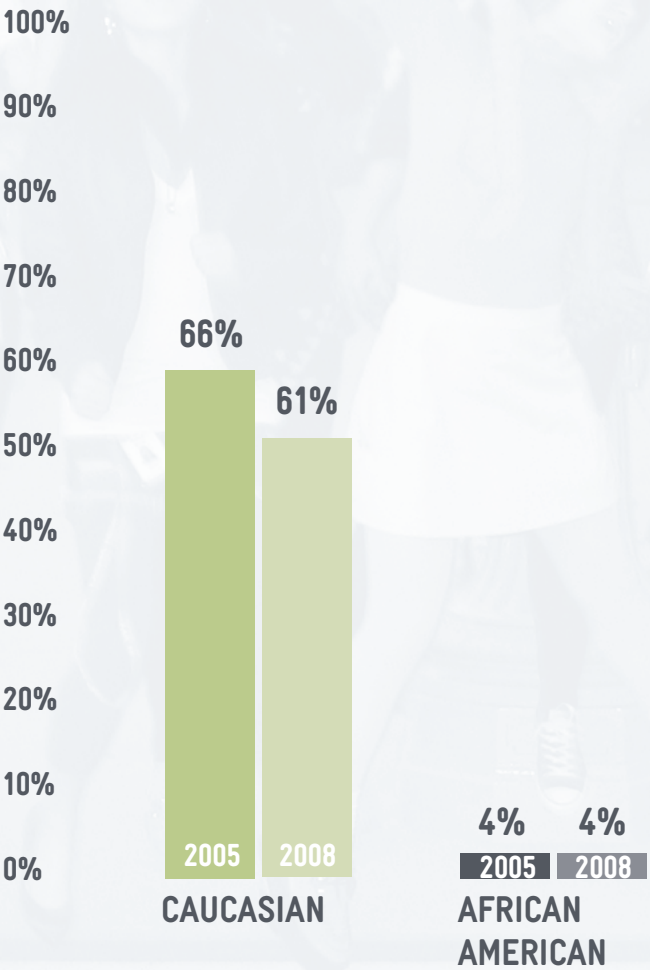
LACMA MUST COMMUNICATE ITS LOCATION CLEARLY IN MARKETING AND COMMUNICATIONS, AS TWO THIRDS OF LA COUNTY RESIDENTS CAN'T CORRECTLY IDENTIFY ITS LOCATION.

LACMA FACES STRONGER COMPETITION FROM THE GETTY, GIVEN SIGNIFICANT GAINS FOR THE GETTY AIDED AND UNAIDED AWARENESS OVER THE PAST THREE YEARS.

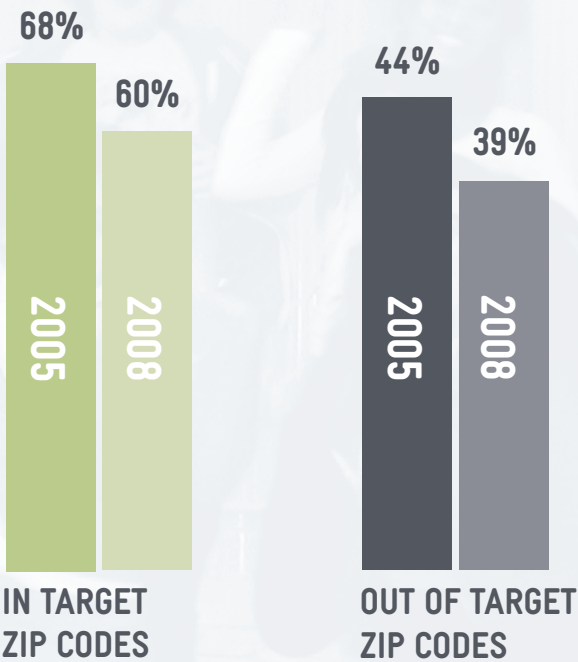
LACMA must provide a unique and compelling point of differentiation from the Getty, potentially via dual strategies: first persuading regular museum-goers that it offers something better or different from the Getty; second by convincing Non-frequent museum goers to consider LACMA as a leisure destination (above the movies, the beach, etc.), and also as a museum that is more relevant or worth visiting over others.

LACMA VISITATION

ETHNICITY

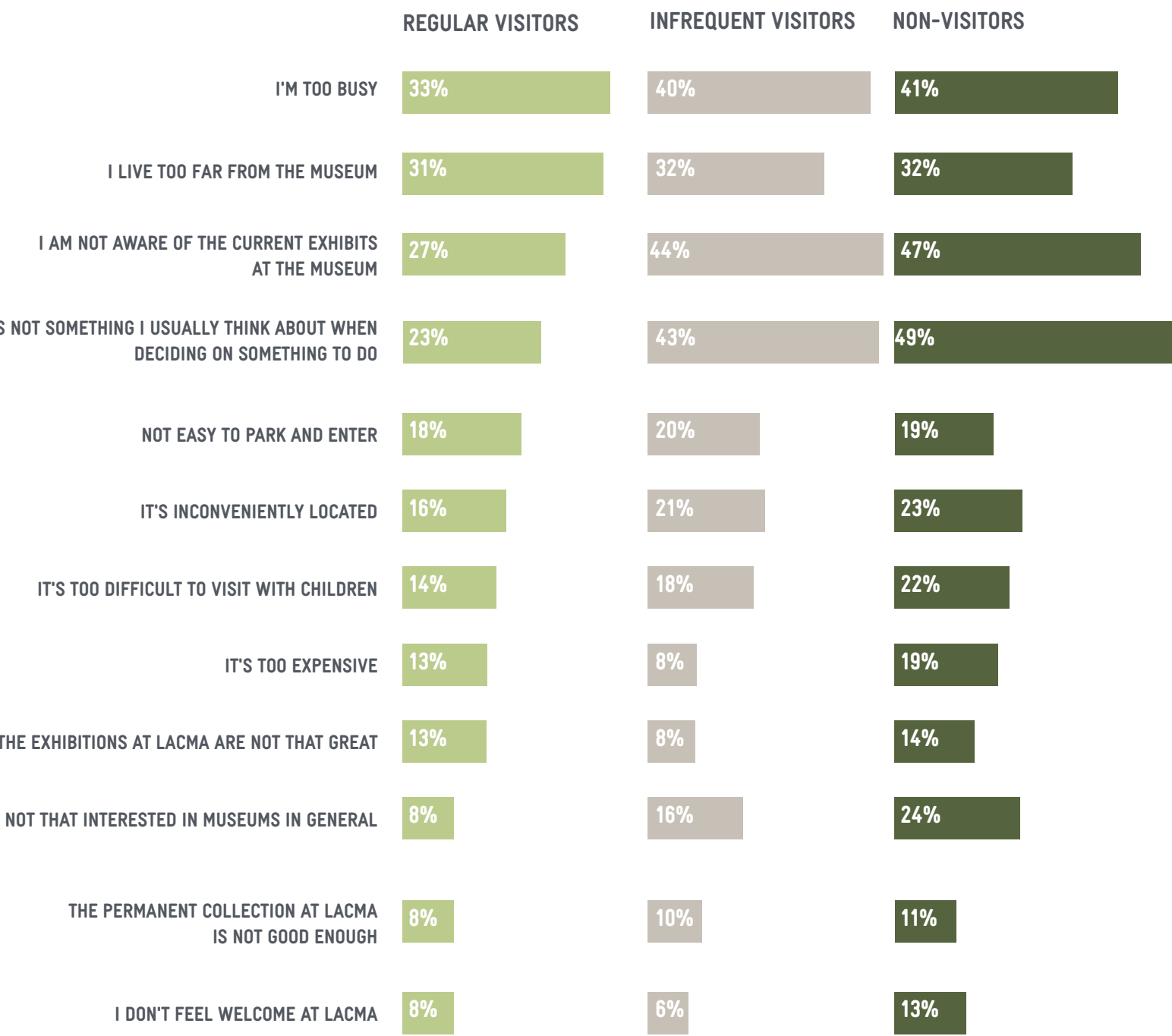


REGION





REASONS FOR NOT VISITING LACMA



OTHER ACTIVITIES SURVEYED CLAIM THEY CHOOSE INSTEAD OF VISITING LACMA

	LACMA VISITATION		
	REGULAR	INFREQUENT	NON VISITORS
TO A MUSEUM	95%	93%	79%
TO A PARK OR BEACH	94%	92%	93%
TO SEE LIVE MUSIC	87%	90%	83%
TO THE MOVIES	89%	85%	83%
SHOPPING	73%	77%	79%
TO A THEME PARK	73%	79%	82%

DEMOGRAPHICS

	REGULAR VISITORS	INFREQUENT VISITORS	NON-LACMA VISITORS
GENDER			
MALE	37%	36%	40%
FEMALE	63%	64%	60%
AGE			
18-25	17%	13%	17%
26-30	8%	7%	12%
31-35	9%	10%	14%
36-40	7%	12%	11%
41-50	21%	23%	17%
51-60	17%	15%	10%
OVER 60	21%	21%	19%
ETHNICITY			
WHITE/CAUCASIAN/EUROPEAN AMERICAN	41%	49%	33%
AFRICAN-AMERICAN/AFRICAN DESCENT/BLACK	11%	10%	11%
HISPANIC/CHICANO/LATINO	36%	31%	46%
ASIAN/PACIFIC ISLANDER/ASIAN AMERICAN	5%	5%	5%
AMERICAN INDIAN/NATIVE AMERICAN	2%	2%	1%
OTHER	4%	2%	3%



DEMOGRAPHICS

	REGULAR VISITORS	INFREQUENT VISITORS	NON-LACMA VISITORS
HOUSEHOLD INCOME			
LESS THAN \$30,000	14%	15%	32%
\$30,000–\$34,000	6%	6%	7%
\$35,000–\$44,000	5%	5%	7%
\$45,000–\$54,000	7%	4%	7%
\$55,000–\$64,000	6%	5%	6%
\$65,000–\$74,000	6%	7%	5%
\$75,000–\$99,000	14%	13%	6%
\$100,000–\$149,000	14%	14%	7%
\$150,000–\$200,000	6%	9%	3%
OVER \$200,000	6%	6%	3%
REFUSED/DON'T KNOW	17%	16%	15%
EMPLOYMENT			
EMPLOYED FULL-TIME	44%	44%	39%
EMPLOYED PART-TIME	10%	7%	9%
SELF-EMPLOYED, WORK FROM HOME	6%	8%	4%
SELF-EMPLOYED, WORK AWAY FROM HOME	3%	3%	4%
HOMEMAKER	9%	12%	15%
UNEMPLOYED	20%	20%	21%
STUDENT	8%	6%	6%
REFUSED		1%	2%
MARITAL STATUS			
SINGLE (NOT LIVING WITH A PARTNER)	32%	27%	29%
MARRIED/LIVING WITH A PARTNER	53%	59%	54%
WIDOWED/DIVORCED/SEPARATED	15%	14%	16%
REFUSED	1%	1%	1%

	REGULAR VISITORS	INFREQUENT VISITORS	NON-LACMA VISITORS
HOUSEHOLD SIZE			
1	17%	12%	14%
2	27%	26%	21%
3	18%	23%	18%
4	20%	23%	24%
5 OR MORE	19%	16%	23%
NUMBER OF PEOPLE UNDER 18 IN HOUSEHOLD			
NONE	45%	50%	40%
1	23%	23%	19%
2	18%	19%	22%
3	9%	6%	11%
4	3%	1%	6%
5 OR MORE	3%	1%	2%
EDUCATION			
ELEMENTARY SCHOOL	2%	4%	12%
HIGH SCHOOL	16%	19%	28%
SOME COLLEGE	22%	29%	28%
UNDERGRADUATE COLLEGE DEGREE	31%	23%	17%
SOME POST GRADUATE	8%	6%	2%
POST GRADUATE DEGREE	21%	17%	10%
REFUSED	1%	1%	2%
OWN OR RENT YOUR HOME			
OWN	58%	63%	49%
RENT	40%	36%	48%
REFUSED	3%	2%	3%



## SUMMARY OF FINDINGS

### OPERATIONS

LACMA SPENDS LESS ON ITS TOTAL ANNUAL OPERATING EXPENSES THAN ITS PEERS

Over the last 5 years LACMA’s annual operating budget has averaged \$47.5 million, while peer institutions (Boston, Chicago, Philadelphia) has averaged \$55 million.

On a dollar spent per square foot managed basis LACMA spends \$69/sq. ft. against a peer average of \$123/sq ft.

LACMA’s mix of spending (% toward curatorial, administration, facilities, exhibitions, fundraising) is in line with its peers.



LACMA EMPLOYEES FEWER STAFF THAN ITS PEERS

In 2008 LACMA employed 533 staffers including security, landscape and custodial personnel vs. the average 714 staffers employed by its peers.

LACMA employs fewer staff per square foot managed than its peers with .68 ftes/sq ft against a peer average of .80 ftes/sq. ft.

LACMA SPENDS SIGNIFICANTLY LESS THAN ITS PEERS ON MARKETING AND ADVERTISING

MARKETING BUDGET  
 2008E  
 \$ MILLIONS



LACMA'S MIX OF OPERATING EXPENSES IS IN-LINE WITH PEERS

OPERATING EXPENSES 2007



LACMA'S COST PER PARTICIPANT FOR EDUCATIONAL AND PUBLIC PROGRAMS IS SIMILAR TO PEERS FOR ADULTS AND LESS THAN AVERAGE FOR CHILDREN AND FAMILIES.

LACMA spends \$1.98 per adult on education and public programs vs. \$ 2.36 per adult spent by peer institutions.

LACMA spends \$1.08 per participant on children and family programs vs. \$ 2.72 per participant spent by peer insititutions.

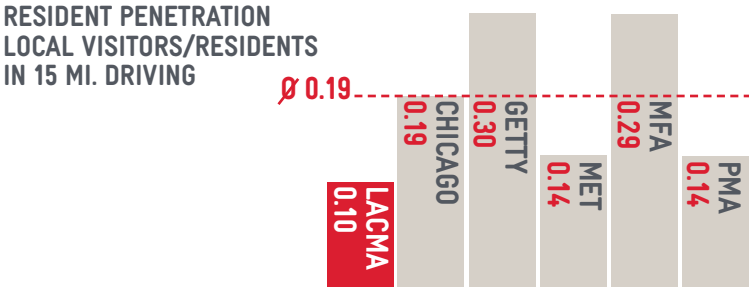




ATTENDANCE

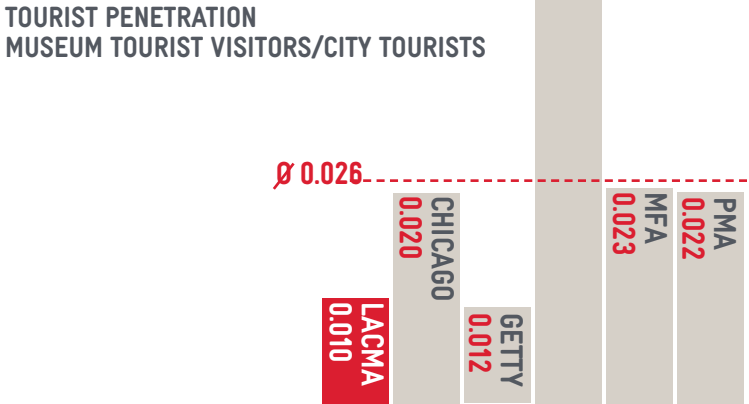
ACHIEVING PEER LEVEL ATTENDANCE WITH LOCALS AND TOURISTS WOULD TRANSLATE INTO ANNUAL VISITORSHIP OF 2 MILLION+ FOR LACMA

SPECIAL EXHIBITIONS PLAY AN IMPORTANT ROLE IN DRIVING ATTENDANCE FOR PEER INSTITUTIONS AS WELL



• Achieving peer-level local penetration would double visitors from 2004 base of 540,000 to ~1.2 million

MUSEUM	% SPECIAL EXHIBITIONS ATTENDANCE
Midwest	10%
Mid Atlantic	50%
South	40%
LACMA	40%



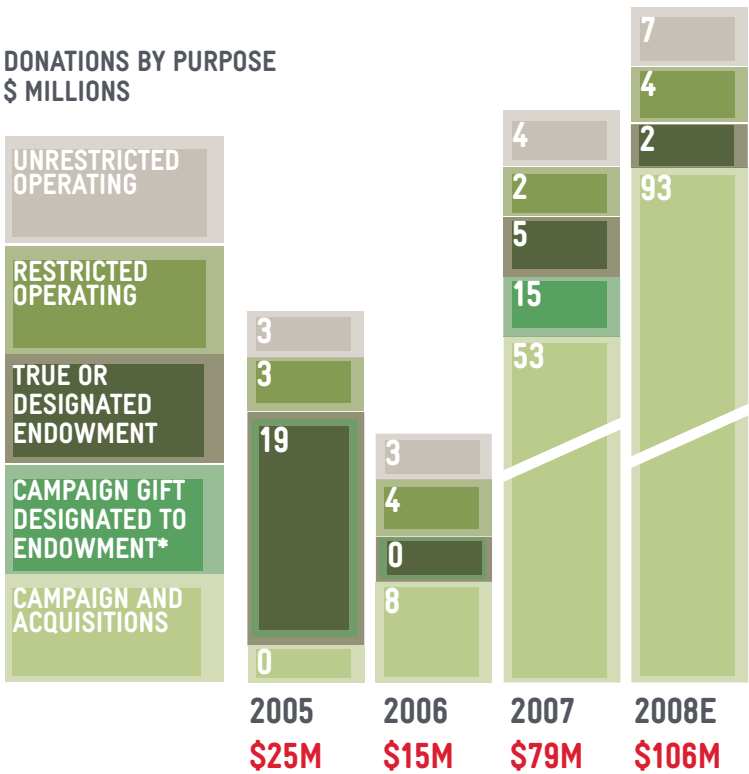
• Bringing tourist penetration in line with peer museums would require adding ~500,000 visitors a year (from 2004 base of 260,000 to ~750,000)



FINANCIAL OVERVIEW

LACMA'S CONTRIBUTIONS FOR SPECIFIC PURPOSES HAVE STEADILY GROWN OVER THE PAST FEW YEARS

LACMA SPENDS 6% OF CONTRIBUTED INCOME ON FUNDRAISING EXPENSES COMPARED TO THE PEER AVERAGE OF 7%.



PEER INSTITUTIONS CAPITAL INVESTMENT METRIC: FOR EVERY \$150 MILLION SPENT ON EXPANSION, ATTENDANCE IS INCREASED BY 100,000 VISITORS

PEERS HAVE STRUCTURED CAPITAL CAMPAIGNS WITH GREATER PERCENTAGES KEYED FOR ENDOWMENT GROWTH

MUSEUM	% OF CAMPAIGN FOR ENDOWMENT
Midwest	19%
Mid Atlantic	40%
South	19%
New York	8%
LACMA	9%

YET NUMBER OF MEMBERS BY GIVING CATAGORY HAVE BEEN ON THE DECLINE

	2005	2008
Students	1173	550
Active	67710	51794
Patron	10139	7920
Sponsor	618	706
Presidents Circle+	964	978
<b>Total</b>	<b>80064</b>	<b>61948</b>

Growing the endowment to help cover increased operating expenses reduces the pressure to continue raising large amounts of operating donations  
Many peers have voiced the difficulty of predicting post opening attendance and giving levels



LACMA'S COLLECTION RANK BY AREA COMPARED TO "TOP OF FIELD" INSTITUTIONAL PEERS

EGYPTIAN ART

Metropolitan Museum of Art  
Museum of Fine Arts, Boston  
Brooklyn Museum of Art  
Penn Museum, University of Pennsylvania  
Hearst Museum of Anthropology,  
UC Berkeley  
Art Institute of Chicago  
LACMA  
Detroit Institute of Arts  
Museum of Fine Arts, Houston

ART OF THE MIDDLE EAST

ANCIENT NEAR EASTERN ART  
Metropolitan Museum of Art  
Oriental Institute, University of Chicago  
Penn Museum, University of Pennsylvania  
Brooklyn Museum of Art  
LACMA  
Freer Gallery of Art /  
Arthur M. Sackler Gallery  
Museum of Fine Arts, Boston  
Cleveland Museum of Art

GREEK AND ROMAN ART

Metropolitan Museum of Art  
J. Paul Getty Museum  
Museum of Fine Arts, Boston  
Cleveland Museum of Art  
Walters Art Museum  
LACMA / Toledo Museum of Art /  
Nelson-Atkins Museum  
San Antonio Museum of Art

EUROPEAN ART

PAINTING  
Metropolitan Museum of Art  
National Gallery of Art  
Museum of Fine Arts, Boston /Art Institute  
of Chicago  
Cleveland Museum of Art  
Philadelphia Museum of Art  
Detroit Institute of Arts  
J. Paul Getty Museum  
Minneapolis Institute of Arts  
Wadsworth Atheneum, Hartford  
LACMA  
Fine Arts Museums of San Francisco  
Nelson-Atkins Museum of Art  
Ringling Art Museum, Sarasota  
LACMA

SCULPTURE  
Metropolitan Museum of Art  
National Gallery of Art  
J. Paul Getty / Museum of Fine Arts, Boston /  
LACMA  
Detroit Institute of Arts  
Philadelphia Museum of Art  
Minneapolis Institute of Arts



CHINESE ART

Metropolitan Museum of Art  
Cleveland Museum of Art  
Museum of Fine Arts, Boston  
Freer Gallery of Art / Arthur M. Sackler  
Gallery  
Nelson-Atkins Museum of Art, Kansas City  
Art Institute of Chicago  
Asian Art Museum of San Francisco  
Philadelphia Museum of Art  
Minneapolis Institute of Arts  
Honolulu Academy of Arts  
LACMA  
Museum of Fine Arts, Houston



JAPANESE ART

Museum of Fine Arts, Boston  
Metropolitan Museum of Art  
Cleveland Museum of Art  
Freer Gallery of Art / Arthur M. Sackler  
Gallery  
Art Institute of Chicago  
Philadelphia Museum of Art  
Seattle Art Museum  
LACMA  
Asian Art Museum, San Francisco  
Asia Society Museum, New York  
Brooklyn Museum of Art  
Minneapolis Institute of Art

KOREAN ART

Museum of Fine Arts, Boston  
LACMA  
Brooklyn Museum of Art  
Asian Art Museum of San Francisco  
Metropolitan Museum of Art  
Cleveland Museum of Art  
Philadelphia Museum of Art  
Art Institute of Chicago  
Peabody Essex Museum, Salem, MA  
Freer Gallery of Art / Arthur M. Sackler  
Gallery  
Museum of Fine Arts, Houston



SOUTH ASIAN ART

(TIBET, NEPAL)  
**LACMA**  
Cleveland Museum of Art  
Metropolitan Museum of Art  
Virginia Museum of Fine Arts, Richmond  
Rubin Museum of Art, New York  
Asia Society Museum, New York  
Asian Art Museum of San Francisco  
Museum of Fine Arts, Boston  
Art Institute of Chicago  
Newark Museum  
Philadelphia Museum of Art  
Norton Simon Museum  
Museum of Fine Arts, Houston

(INDIA, PAKISTAN, SRI LANKA)  
Metropolitan Museum of Art  
Cleveland Museum of Art  
**LACMA**  
Museum of Fine Arts, Boston  
Virginia Museum of Fine Arts, Richmond  
Asia Society Museum, New York  
Philadelphia Museum of Art  
Art Institute of Chicago  
Asian Art Museum of San Francisco  
Brooklyn Museum of Art  
Freer Gallery of Art /  
    Arthur M. Sackler Gallery  
Norton Simon Museum  
Denver Art Museum

SOUTHEAST ASIAN ART

(THAILAND, CAMBODIA, VIETNAM, INDONESIA, BURMA)  
Asian Art Museum of San Francisco  
Norton Simon Museum  
Cleveland Museum of Art  
Metropolitan Museum of Art  
Museum of Fine Arts, Boston  
Asia Society Museum, New York  
Walters Art Museum, Baltimore  
**LACMA**  
Art Institute of Chicago  
Nelson-Atkins Museum of Art  
Kimbell Art Museum, Fort Worth  
Museum of Fine Arts, Houston  
Philadelphia Museum of Art

ART OF THE MIDDLE EAST

ISLAMIC ART  
Metropolitan Museum of Art  
Freer Gallery of Art / Arthur M. Sackler  
Gallery  
**LACMA**  
Cleveland Museum of Art  
Museum of Fine Arts, Boston  
Harvard University Art Museums  
Art Institute of Chicago  
**LACMA**↑  
Walters Art Gallery  
Brooklyn Museum of Art  
Detroit Institute of Arts

PRINTS AND DRAWINGS

Metropolitan Museum of Art  
Museum of Fine Arts, Boston  
National Gallery of Art  
Philadelphia Museum of Art  
Art Institute of Chicago  
Cleveland Museum of Art  
J. Paul Getty Museum (drawings only)  
Baltimore Museum of Art  
Fogg Museum of Art, Harvard  
**LACMA**  
Minneapolis Institute of Arts  
Fine Arts Museums of San Francisco  
Yale University Art Gallery  
Detroit Institute of Arts  
Hammer Museum (Grunwald Center)  
**LACMA**↑



COSTUME AND TEXTILES

COSTUME  
Metropolitan Museum of Art  
**LACMA**  
Museum of Fine Arts, Boston  
Philadelphia Museum of Art  
Brooklyn Museum of Art  
**LACMA**↑  
Museum at the Fashion Institute  
    of Technology  
Kent State University Museum  
de Young  
Museum of Fine Arts, Houston

TEXTILES  
Metropolitan Museum of Art  
Museum of Fine Arts, Boston  
Art Institute of Chicago  
Philadelphia Museum of Art  
**LACMA**  
Cleveland Museum of Art  
Brooklyn Museum of Art  
Minneapolis Museum of Art  
Rhode Island School of Design  
de Young  
J. Paul Getty Museum  
National Gallery of Art  
Museum of Modern Art



DECORATIVE ARTS AND DESIGN

Metropolitan Museum of Art  
Museum of Fine Arts, Boston  
Art Institute of Chicago  
Cleveland Museum of Art  
Philadelphia Museum of Art  
Detroit Institute of Arts  
St. Louis Art Museum  
**LACMA**  
Toledo Museum of Art  
Museum of Fine Arts, Houston  
Dallas Museum of Art

ARTS AND CRAFTS

**LACMA**  
Art Institute of Chicago  
Museum of Fine Arts, Boston (American)  
Minneapolis Institute of Arts  
Metropolitan Museum of Art  
The Wolfsonian, Florida International  
University  
Virginia Museum of Fine Arts  
St. Louis Art Museum



20TH CENTURY DESIGN

Museum of Modern Art  
Art Institute of Chicago  
Virginia Museum of Fine Arts  
Metropolitan Museum of Art  
Minneapolis Institute of Arts  
The Wolfsonian, Florida International  
University  
**LACMA**  
Museum of Fine Arts, Boston (American)  
Dallas Museum of Art  
Museum of Fine Arts, Houston  
St. Louis Art Museum

CALIFORNIA MODERN

**LACMA**  
Oakland Museum  
SFMoMA

OCEANIC ART

Metropolitan Museum of Art  
de Young (primarily New Guinea)  
Bishop Museum, Honolulu  
Fowler Museum, UCLA  
**LACMA**  
St. Louis Art Museum  
Museum of Fine Arts, Boston  
Detroit Institute of Arts  
Brooklyn Museum of Art  
Honolulu Academy of Arts

LATIN AMERICAN ART

ART OF THE ANCIENT AMERICAS  
Dumbarton Oaks, Washington, DC  
Metropolitan Museum of Art  
Denver Art Museum  
**LACMA**  
Dallas Art Museum  
Art Institute of Chicago  
Brooklyn Museum of Art  
Museum of Fine Arts, Boston  
Museum of Fine Arts, Houston  
St. Louis Art Museum  
de Young

SPANISH COLONIAL

Denver Art Museum  
Brooklyn Museum of Art  
**LACMA**  
Hispanic Society of America, New York  
Metropolitan Museum of Art  
Philadelphia Museum of Art  
Museum of Fine Arts, Boston  
San Antonio Museum of Art  
Dallas Museum of Art

MODERN AND CONTEMPORARY

Museum of Fine Arts, Houston  
Museum of Modern Art  
Colección Patricia Phelps de Cisneros  
(private)  
**LACMA**  
Blanton Museum, University of Texas at  
Austin  
Philadelphia Museum of Art  
Detroit Institute of Arts

AMERICAN ART

Metropolitan Museum of Art  
National Gallery of Art  
Museum of Fine Arts, Boston  
Philadelphia Museum of Art  
Art Institute of Chicago  
Brooklyn Museum of Art  
Cleveland Museum of Art  
Detroit Institute of Arts  
Smithsonian American Art Museum  
Nelson-Atkins Museum of Art, Kansas City  
Amon Carter Museum  
**LACMA**  
de Young



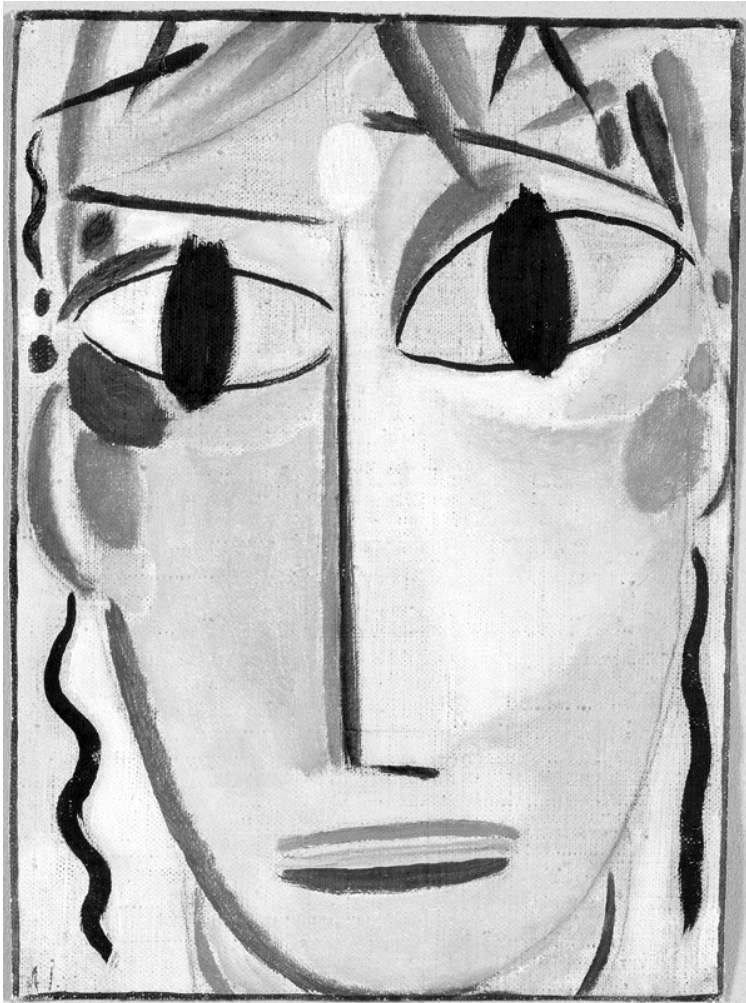


AFRICAN ART

Metropolitan Museum of Art  
National Museum of African Art,  
Smithsonian  
Fowler Museum, UCLA  
Detroit Institute of Arts  
New Orleans Museum of Art  
Brooklyn Museum of Art  
Penn Museum, University of Pennsylvania  
Seattle Art Museum  
Art Institute of Chicago  
Virginia Museum of Fine Arts  
Yale University Art Gallery  
University of Iowa Museum of Art  
The Menil Collection  
de Young  
**LACMA**

MODERN ART "PRE WAR"

Museum of Modern Art  
Guggenheim /  
Art Institute of Chicago /  
Philadelphia Museum of Art  
Metropolitan Museum of Art  
National Gallery of Art  
**LACMA**  
Museum of Fine Arts, Boston  
Cleveland Museum of Art



CONTEMPORARY ART "POST WAR"

Museum of Modern Art  
Guggenheim  
Museum of Contemporary Art  
Walker Art Center  
Art Institute of Chicago  
SFMoMA  
Philadelphia Museum of Art  
Metropolitan Museum of Art  
National Gallery of Art  
**LACMA**  
Cleveland Museum of Art  
Museum of Fine Arts, Houston  
Museum of Fine Arts, Boston

CONTEMPORARY ART "1968 - PRESENT"

Museum of Modern Art  
Guggenheim  
Walker Art Center  
Museum of Contemporary Art  
Art Institute of Chicago  
SFMoMA  
Dia  
National Gallery of Art  
**LACMA**  
Philadelphia Museum of Art  
Metropolitan Museum of Art  
Cleveland Museum of Art  
Museum of Fine Arts, Houston

PHOTOGRAPHY

Metropolitan Museum of Art /  
J. Paul Getty Museum  
Museum of Modern Art  
Art Institute of Chicago  
SFMoMA  
**LACMA**  
Cleveland Museum of Art  
Philadelphia Museum of Art  
Museum of Fine Arts, Houston  
Museum of Fine Arts, Boston  
**LACMA**↑





**BUILD THE COLLECTION**

- IDENTIFY KEY COLLECTING AREAS
  - Contemporary Art
  - Latin American
  - Korean
  - California Design and Architecture
  - Large scale outdoor sculpture
  - Other
- IDENTIFY KEY COLLECTORS/COLLECTIONS AS PROSPECTS
- PULL TOGETHER \$5-10 MILLION FUND THAT CAN BE USED TO ACQUIRE WORKS WHEN OPPORTUNITIES ARISE

**BUILD AUDIENCE**

- INCREASE FREE ADMISSION OPPORTUNITIES
- DEVELOP WEB 2.0 APPLICATIONS AND ACCESS TO ON-LINE COLLECTIONS AND CONTENT
- IDENTIFY KEY AUDIENCES AND SET GOALS FOR INCREASING:
  - School children
  - Latinio and Asian visitors
  - Tourists
  - Members
- DEVELOP TARGET MARKETING PLAN

**BUILD FINANCIAL FOUNDATION**

- INCREASE ANNUAL REVENUE BY \$5 MILLION
- DECREASE ANNUAL EXPENSES BY \$5 MILLION
- FINISH PHASE II OF TRANSFORMATION CAMPAIGN (TOTAL \$250 MILLION)
- FINISH PHASE III TRANSFORMATION CAMPAIGN PLANNING
- INCREASE OPERATING ENDOWMENT
- INCREASE COUNTY OPERATING COMMITMENT



**BUILD/IMPROVE LACMA CAMPUS**

- FINISH PHASE II CONSTRUCTION
  - Resnick Pavilion
  - LACMA West
  - Outdoor sculpture and landscaping
- DEVELOP STRATEGIC REAL ESTATE PLAN
  - Spaulding lot development
  - 6006 Wilshire property
  - Identify other property acquisitions along Wilshire
  - Subway to the sea integration into campus
- PLAN PHASE III CAMPUS IMPROVEMENTS

**TOP PRIORITIES**

- KEEP PHASE II MOMENTUM GOING
  - Raise \$150 million in additional pledges
  - Start LACMAWest construction when \$100 m in commitments are made
  - Finish Heizer Rock and BP Grand Entrance Restaurant if LACMAWest construction is delayed
- PLAN FOR A DOWN ECONOMY
  - Explore LACMAEast program shutdown and redeployment of program in BCAM and Resnick Pavilion
  - Staff and program adjustments





ATTENDANCE

2006-2007 ATTENDANCE	616,491
2007-2008 ATTENDANCE	825,241
CURRENT ATTENDANCE	850,000
FIVE YEAR GOAL	1,400,000

SCHOOL AND TEACHER PROGRAMS

SCHOOL TOUR ATTENDANCE	60,407
OFF-SITE PROGRAMS	70,521
TEACHER PROGRAMS	1,871
CURRENT ATTENDANCE	135,000
FIVE YEAR GOAL	290,000
STRETCH GOAL	1,000,000

CHILDREN AND FAMILIES

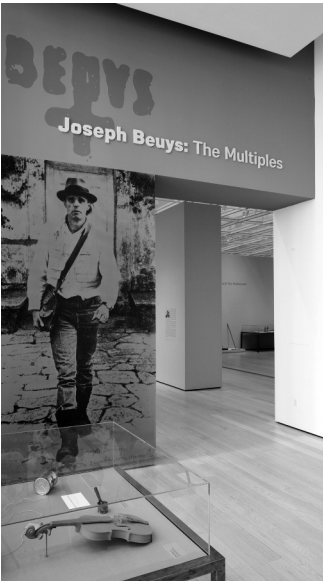
CHILDREN FREE ADMISSION	50,318
NEXGEN MEMBERS	96,105
ANDELL FAMILY SUNDAYS AND CLASSES	96,610
CURRENT ATTENDANCE	243,033
FIVE YEAR GOAL	350,000

SCHOLARS

COLLECTION STUDY CENTERS	1,396
BALCH ART RESEARCH LIBRARY	3,435
CONSERVATION CENTER	224
PUBLICATIONS	50,000
CURRENT SERVED	55,055
FIVE YEAR GOAL	60,000

TRAVELING EXHIBITIONS

FY 07	55,000
FY 08	55,000
CURRENT YEAR	22,500
NEXT YEAR ESTIMATE	550,000
(5 SHOWS)	
FIVE YEAR GOAL (AVERAGE)	250,000







**FILM, MUSIC EVENTS**

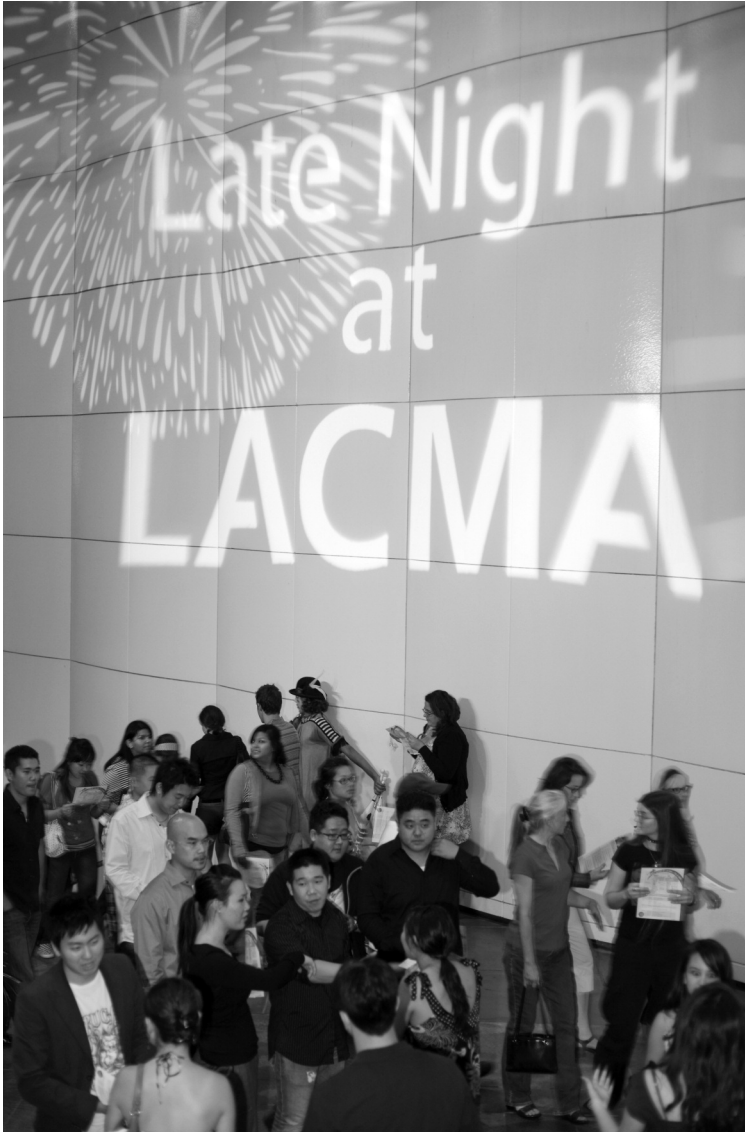
FILM PROGRAMS	32,787
MUSIC PROGRAMS	68,636
GENERATION X&Y EVENTS	9,425
EXHIBITION OPENINGS	22,916
CORPORATE EVENTS	8,569
CURRENT ATTENDANCE	142,333
FIVE YEAR GOAL	300,000

**TICKET BUYERS**

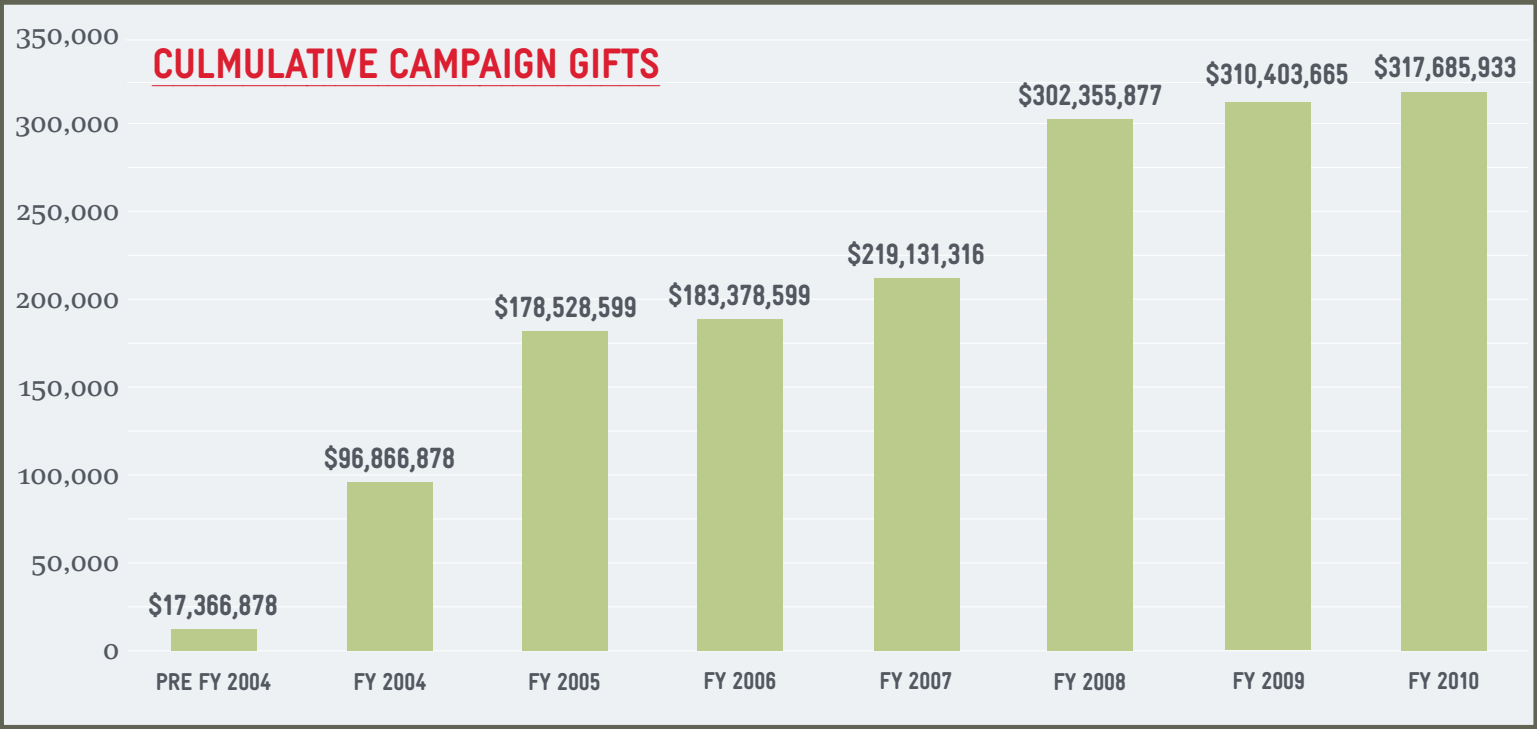
NON-MEMBER ATTENDANCE	135,378
SENIOR ATTENDANCE	22,930
TALKS AND COURSES	23,608
CURRENT NON MEMBER ATTENDANCE	185,000
FIVE YEAR GOAL	450,000

**ONLINE AUDIENCES**

SESSIONS ON LACMA.ORG	3,065,670
VIEWS OF LACMA BLOG	46,595
DISTANCE LEARNING	1,226
CURRENT SESSIONS	3,113,491
FIVE YEAR GOAL	5,000,000







**CAMPAIGN GOAL** \$450 MILLION  
**RAISED TO DATE:** \$317,685,933  
**NEEDED TO CLOSE CAMPAIGN:** \$132,314,067  
**NEEDED TO START LACMA WEST:** \$100,000,000

